

# Miami

## Office market snapshot | Q1 2024

As of February 2024, Miami's unemployment rate remained unchanged at 1.6%, compared to last quarter. This is 150 basis points lower than Florida's total unemployment rate of 3.1%. Total nonfarm employment has experienced a year-over-year increase of 2.8%, with the financial activities sector posting a 2.5% increase during that period.

# \$97.55

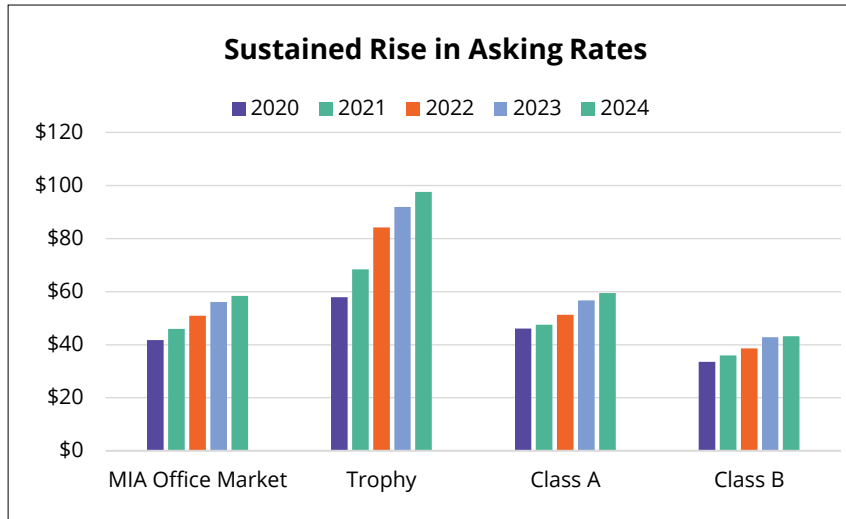
Robust tenant demand for the trophy buildings has applied upward pressure on asking rates, up 68% in four years.

# 2.0 msf

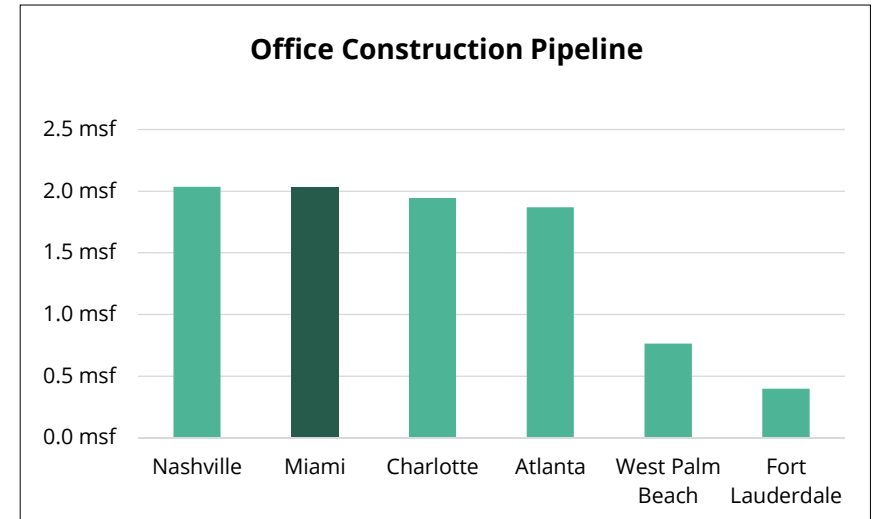
Strong market fundamentals attract office developers to Miami with just over 2 million square feet under construction.

# +42k sf

Miami's office net absorption remains positive for the twelfth consecutive quarter.



The urban core of Miami, including the Brickell and Downtown submarkets, has become focal points for new office developments, providing a sought-after live, work, play environment. This rising trend has led to a 40% increase in asking rates over the past four years, reaching \$58.42 per square foot. Notably, trophy assets with high-end finishes, desirable amenities, and prime locations have experienced the most significant rate hikes, rising by 68% over the same period to reach \$97.55 per square foot.

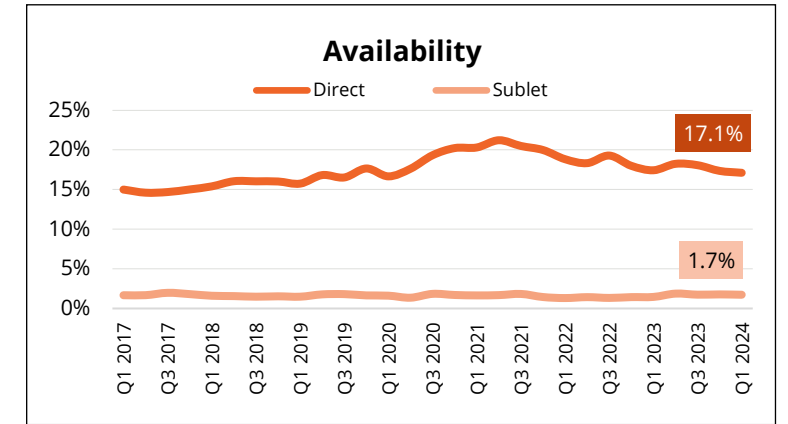
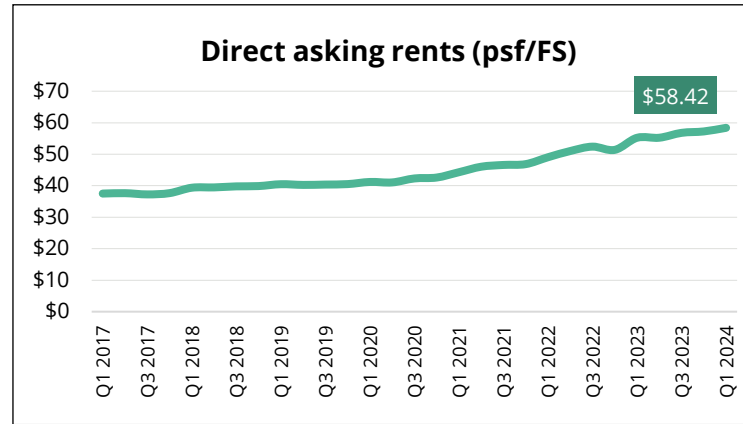
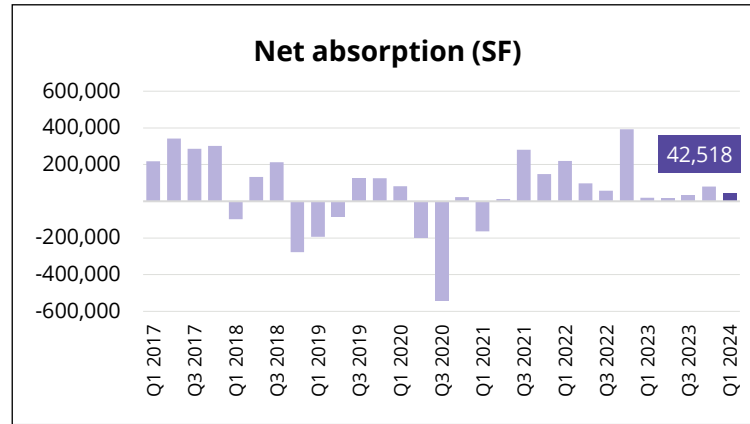


The demand for office space in Miami remains robust, driving developer interest in the market. Miami is at the forefront among southeastern markets, with over 2 million square feet of office inventory under construction. Both domestic and international business migration to Miami has developers feeling optimistic about the office market outlook.

Source: Avant by Avison Young, CoStar, U.S. Bureau of Labor Statistics

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### Recent leasing activity

Tenant	Address	Size (sf)	Transaction type	Lease type
Apple	2811 Ponce De Leon Blvd	41,981	New	Direct
Venture X	117 NE 1 <sup>st</sup> Ave	20,253	New	Direct
The Morgan Group	220 Alhambra Cir	19,075	New	Direct
Greenvine Insurance	800 Waterford Way	18,588	New	Sublease

### Recent sales activity

Buyer	Address	Sale price	Sale price psf	Seller
Ricardo Guerrero	2500 NW 107 <sup>th</sup> Ave	\$9,950,000	\$302	Philip Procacci

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## Get in touch

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	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q24)	Net absorption (YTD)	Annual direct asking rent psf FS
Airport/Doral	11,469,355	-	-	19.8%	1.1%	20.8%	0.1%	1,025	1,025	\$ 40.95
Brickell	7,370,295	-	829,300	11.9%	0.8%	12.7%	1.3%	(40,656)	(40,656)	\$ 91.62
Coral Gables	7,316,022	-	-	15.3%	1.5%	16.8%	(0.9%)	14,990	14,990	\$ 52.52
Downtown Miami	7,301,509	-	326,832	18.0%	0.8%	18.2%	(2.0%)	119,726	119,726	\$ 62.83
Kendall	4,557,281	-	-	11.4%	0.4%	11.8%	(0.4%)	(65,038)	(65,038)	\$ 40.51
Biscayne Corridor	4,389,709	-	326,400	13.4%	2.1%	15.6%	1.4%	(52,892)	(52,892)	\$ 73.65
Miami Beach	2,778,799	-	348,553	12.7%	0.3%	13.0%	(2.5%)	74,869	74,869	\$ 99.70
Miami Lakes	2,193,262	-	82,903	11.4%	1.0%	12.4%	(0.4%)	1,334	1,334	\$ 39.15
Aventura	2,126,373	60,450	71,177	8.8%	1.5%	10.3%	4.2%	(5,896)	(5,896)	\$ 57.78
South Gables/South Miami	1,958,692	-	-	5.5%	0.5%	6.0%	1.0%	8,496	8,496	\$ 40.91
Coconut Grove	1,641,062	-	-	8.4%	1.8%	10.2%	(1.4%)	7,097	7,097	\$ 65.86
Northeast Dade	1,391,069	-	48,000	12.3%	0.8%	13.1%	2.3%	(29,034)	(29,034)	\$ 40.45
Medley/Hialeah	789,908	-	-	11.7%	0.0%	11.7%	(1.8%)	7,996	7,996	\$ 36.65
South Dade	150,516	-	-	37.5%	0.0%	37.5%	(14.8%)	501	501	\$ 37.97
<b>Market total</b>	<b>55,433,852</b>	<b>60,450</b>	<b>2,033,165</b>	<b>14.5%</b>	<b>1.0%</b>	<b>15.5%</b>	<b>(0.2%)</b>	<b>42,518</b>	<b>42,518</b>	<b>\$58.42</b>

	Existing inventory sf	Deliveries sf (YTD)	Under development sf	Direct vacancy	Sublet vacancy	Total vacancy	Total vacancy change (YoY)	Net absorption (1Q24)	Net absorption (YTD)	Annual direct asking rent psf FS
Trophy	4,659,842	-	1,185,137	13.8%	1.3%	15.2%	(2.1%)	51,314	51,314	\$ 97.55
Class A	24,872,246	60,450	848,028	17.6%	1.6%	19.2%	0.7%	(31,556)	(31,556)	\$ 59.51
Class B	25,901,764	-	-	11.6%	0.5%	12.1%	0.6%	22,760	22,760	\$ 43.18
<b>Market total</b>	<b>55,433,852</b>	<b>60,450</b>	<b>2,033,165</b>	<b>14.5%</b>	<b>1.0%</b>	<b>15.5%</b>	<b>(0.2%)</b>	<b>42,518</b>	<b>42,518</b>	<b>\$ 58.42</b>